

**No. M-15. An act relating to approval of amendments to the charter of the City of Montpelier.**

(H.871)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. CHARTER AMENDMENT APPROVAL

The General Assembly approves the amendments to the charter of the City of Montpelier as set forth in this act. Proposals of amendments were approved by the voters on March 1, 2016.

Sec. 2. 24 App. V.S.A. chapter 5 is amended to read:

CHAPTER 5. CITY OF MONTPELIER

\* \* \*

Subchapter 12. Assessment and Collection of Taxes; Establishment of Water and Heat Rates

\* \* \*

§ 1214. LOCAL OPTION TAXES

Local option taxes are authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues.

Accordingly:

(1) The City Council may assess rooms, meals, and alcohol taxes of one percent.

(2) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax.

(3) Of the taxes reported under this section, 70 percent shall be paid to the City for calendar years thereafter. Such revenues may be expended by the City for municipal services only and not for educational expenditures. The remaining amount of the taxes reported shall be remitted monthly to the State Treasurer for deposit in the PILOT Special Fund set forth in 32 V.S.A. § 3709. Taxes due to the City under this section shall be paid by the State on a quarterly basis.

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Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

Date Governor signed bill: May 17, 2016